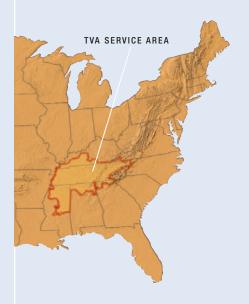
TVA at a Glance



For more than seven decades, the Tennessee Valley Authority has improved the quality of life in the Tennessee Valley. As a federal corporation and the nation's largest public power provider, TVA touches millions of lives through a commitment to excellence and value in three key areas:

• **Energy** — providing affordable, reliable electric power that helps businesses and families prosper. TVA sells power to 158 local distributors that serve 8.5 million people and 650,000 businesses and industries in the seven-state TVA area. It covers almost all of Tennessee and parts of Alabama, Georgia, Kentucky, Mississippi, North Carolina, and Virginia. TVA also sells power to 62 large industrial customers and federal installations.



- Environmental stewardship managing the

 Tennessee River, neighboring lands, and its own generating
 facilities to ensure cleaner air and water. Through its river
 management activities, TVA reduces flooding, provides for
 river transportation and power production, maintains water
 quality, supports recreation, and promotes wise land use.
- **Economic development** building partnerships that foster economic prosperity. TVA helps companies and communities attract investments that bring good jobs to our region and keep them here.

Financing

TVA is completely self-financed and receives no taxpayer dollars. It pays for all its activities through power sales and bond issues.



Energy

TVA's power system

- The power system consists of a diverse mix
 of fuel sources, including fossil, nuclear, hydro,
 and renewables. TVA has 11 coal-fired and six
 combustion-turbine plants; three nuclear plants;
 29 hydroelectric dams and one pumped-storage
 plant; and 16 solar power sites, one wind-power
 site, and one methane gas site.
- TVA provides more electricity than any other public utility in the nation. Coal plants typically provide about two-thirds of TVA's power.
- TVA supplies power through a network of 17,000 miles of transmission line and 117,000 transmission structures.

Reliability and affordability

- The TVA transmission system has been 99.999 percent reliable for five years in a row.
- Residents of the Valley who receive TVA power enjoy some of the lowest rates in the nation.
- TVA expands its facilities to meet rising demand while keeping rates affordable. In 2007, Browns
 Ferry Nuclear Plant Unit 1 is expected to be the first nuclear unit brought online in the 21st century.
 It will generate enough safe, clean power to serve a city the size of Chattanooga.

Environmental Stewardship

River management

• TVA operates a system of 49 dams and reservoirs on the 652-mile-long Tennessee River and its tributaries. Twenty-nine of the dams produce hydroelectricity.

- TVA manages the system as an integrated unit to provide many benefits, including year-round navigation, reduced flooding, economical electric power, enhanced recreational opportunities, improved water quality, and a reliable supply of water to cool power plants and meet municipal and industrial needs.
- Barges on the Tennessee River save industries about \$400 million in freight charges compared with shipping by other means. This leads to lower prices for consumer goods, fewer trucks on our highways, and cleaner air in our region.
- TVA averted about \$500 million in flood damage in fiscal year 2003 and prevented a potential \$12 million in damage during fiscal year 2004.

Air quality

• TVA is working aggressively to further improve air quality in the region. By 2010, TVA will have invested almost \$6 billion to reduce sulfur dioxide and nitrogen oxides from its coal-fired plants.

Economic Development

- Over the past three years, TVA and its economic development partners have helped attract or keep more than 143,000 jobs in the Tennessee Valley.
 Loan commitments of \$57.4 million have leveraged \$832 million in additional investments.
- In 2004 TVA loan commitments of \$13.5 million helped attract or keep more than 50,000 jobs and leveraged \$2.1 billion in capital investment.
- TVA offers an array of services and financial resources, including capital investment loans for new and expanding businesses, site-selection assistance, and small- and minority-business support.









